

SERFF Tracking Number: MCHX-125818173 State: Arkansas
Filing Company: American Alternative Insurance Corporation State Tracking Number: 40236
Company Tracking Number: ESL 5000 (02 08)
TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other
Product Name: ESL 5000 (02 08) AAIC Employer Stop Loss
Project Name/Number: ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss

Filing at a Glance

Company: American Alternative Insurance Corporation

Product Name: ESL 5000 (02 08) AAIC SERFF Tr Num: MCHX-125818173 State: ArkansasLH

Employer Stop Loss

TOI: H21 Health - Other

SERFF Status: Closed

State Tr Num: 40236

Sub-TOI: H21.000 Health - Other

Co Tr Num: ESL 5000 (02 08)

State Status: Approved-Closed

Filing Type: Form

Co Status:

Reviewer(s): Rosalind Minor

Author: SPI McHughConsulting

Disposition Date: 09/19/2008

Date Submitted: 09/16/2008

Disposition Status: Approved-Closed

Implementation Date Requested: 10/15/2008

Implementation Date:

State Filing Description:

General Information

Project Name: ESL 5000 (02 08) AAIC Employer Stop Loss

Status of Filing in Domicile: Authorized

Project Number: ESL 5000 (02 08) AAIC Employer Stop Loss

Date Approved in Domicile: 08/01/2008

Requested Filing Mode: Review & Approval

Domicile Status Comments:

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 09/19/2008

State Status Changed: 09/19/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

AMERICAN ALTERNATIVE INSURANCE CORPORATION

NAIC No. 19720 FEIN No. 52-2048110

Employer Stop Loss Program

ESL 5000 (02 08), et al Excess Loss Insurance Policy

Please see attached forms listing

<i>SERFF Tracking Number:</i>	<i>MCHX-125818173</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American Alternative Insurance Corporation</i>	<i>State Tracking Number:</i>	<i>40236</i>
<i>Company Tracking Number:</i>	<i>ESL 5000 (02 08)</i>		
<i>TOI:</i>	<i>H21 Health - Other</i>	<i>Sub-TOI:</i>	<i>H21.000 Health - Other</i>
<i>Product Name:</i>	<i>ESL 5000 (02 08) AAIC Employer Stop Loss</i>		
<i>Project Name/Number:</i>	<i>ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss</i>		

McHugh Consulting Resources, Inc. has been requested to file the enclosed forms on behalf of American Alternative Insurance Corporation. We have provided an authorization letter for your files.

The above referenced forms are submitted for your review and approval. As a matter of information, the forms are new and do not replace any forms previously filed with or approved by your Department.

This excess loss coverage is designed to be offered to employer groups who self fund their employee medical plan. This coverage is purchased by the employer to protect itself from catastrophic losses. Benefits are payable to the employer and not individual employees. While the benefits covered under the plan will parallel the employer's underlying plan, it is not medical coverage for the employees. As excess/stop loss coverage is not "health insurance coverage" as defined under the federal Health Insurance Portability and Accountability Act (HIPAA) it is not subject to the requirements in the HIPAA law. Benefits will be offered on a specific or aggregate basis, or both. The exact benefits will vary depending on the options chosen by the employer. Marketing for this product will be done via licensed agents and brokers.

Printing of all forms is subject to changes in page numbers, margins, positioning and format. Printing standards will never be less than required under your law. Electronic use of this form may result in changes or variations in margins, formatting and pagination. However, the text will not be less than ten-point type and the form will meet the readability standards required under your law.

Variable data is bracketed and may vary from case to case. Amounts may vary or provisions may be modified to fit a specific Policyholder's request. Variable data will never exclude or limit provisions required by your state.

American Alternative Insurance Corporation will deem these forms approved, if upon the expiration of the initial review period, your Department has not extended the review period or otherwise has not responded to this submission

Enclosed please find any required certifications and/or transmittal forms. If you should have any questions or concerns regarding this submission, please do not hesitate to contact us. We thank you in advance for your time and consideration.

SERFF Tracking Number: MCHX-125818173 State: Arkansas
Filing Company: American Alternative Insurance Corporation State Tracking Number: 40236
Company Tracking Number: ESL 5000 (02 08)
TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other
Product Name: ESL 5000 (02 08) AAIC Employer Stop Loss
Project Name/Number: ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss

Company and Contact

Filing Contact Information

(This filing was made by a third party - McHughConsulting)

Jane Neal, Compliance Assistant mcr@mchughconsulting.com
McHugh Consulting Resources (215) 230-7960 [Phone]
Doylestown, PA 18901 (215) 230-7961[FAX]

Filing Company Information

American Alternative Insurance Corporation CoCode: 19720 State of Domicile: Delaware
555 College Road East Group Code: 361 Company Type:
Princeton, NJ 08543-5241 Group Name: State ID Number:
(609) 243-5620 ext. [Phone] FEIN Number: 52-2048110

Filing Fees

Fee Required? Yes
Fee Amount: \$550.00
Retaliatory? Yes
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Alternative Insurance Corporation	\$550.00	09/16/2008	22529351

SERFF Tracking Number: *MCHX-125818173* *State:* *Arkansas*
Filing Company: *American Alternative Insurance Corporation* *State Tracking Number:* *40236*
Company Tracking Number: *ESL 5000 (02 08)*
TOI: *H21 Health - Other* *Sub-TOI:* *H21.000 Health - Other*
Product Name: *ESL 5000 (02 08) AAIC Employer Stop Loss*
Project Name/Number: *ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss*

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	09/19/2008	09/19/2008

<i>SERFF Tracking Number:</i>	<i>MCHX-125818173</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American Alternative Insurance Corporation</i>	<i>State Tracking Number:</i>	<i>40236</i>
<i>Company Tracking Number:</i>	<i>ESL 5000 (02 08)</i>		
<i>TOI:</i>	<i>H21 Health - Other</i>	<i>Sub-TOI:</i>	<i>H21.000 Health - Other</i>
<i>Product Name:</i>	<i>ESL 5000 (02 08) AAIC Employer Stop Loss</i>		
<i>Project Name/Number:</i>	<i>ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss</i>		

Disposition

Disposition Date: 09/19/2008

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: MCHX-125818173 State: Arkansas

Filing Company: American Alternative Insurance Corporation State Tracking Number: 40236

Company Tracking Number: ESL 5000 (02 08)

TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other

Product Name: ESL 5000 (02 08) AAIC Employer Stop Loss

Project Name/Number: ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Supporting Document	Health - Actuarial Justification	Approved-Closed	Yes
Supporting Document	Outline of Coverage	Approved-Closed	Yes
Supporting Document	Cover Letter	Approved-Closed	Yes
Supporting Document	Authorization Letter	Approved-Closed	Yes
Supporting Document	Form Listing	Approved-Closed	Yes
Form	Excess Loss Insurance Policy	Approved-Closed	Yes
Form	Aggregate Accomodation Endorsement	Approved-Closed	Yes
Form	Aggregate Terminal Liability Endorsement	Approved-Closed	Yes
Form	Aggregating Specific Deductible Endorsement	Approved-Closed	Yes
Form	Specific Expedited Reimbursement Endorsement	Approved-Closed	Yes
Form	Specific Terminal Liability Endorsement	Approved-Closed	Yes
Form	Specific Transplant Step-Down Deductible Endorsement	Approved-Closed	Yes
Form	Application	Approved-Closed	Yes
Form	Schedule of Excess Loss Coverage	Approved-Closed	Yes
Form	Policy Amendment	Approved-Closed	Yes
Form	Clinical Trials Endorsement	Approved-Closed	Yes

SERFF Tracking Number: MCHX-125818173 State: Arkansas

Filing Company: American Alternative Insurance Corporation State Tracking Number: 40236

Company Tracking Number: ESL 5000 (02 08)

TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other

Product Name: ESL 5000 (02 08) AAIC Employer Stop Loss

Project Name/Number: ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss

Form Schedule

Lead Form Number: ESL 5000 (02 08)

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved-Closed	ESL 5000 (02 08)	Policy/Cont	Excess Loss ract/Fratern Insurance Policy al Certificate	Initial		42	ESL 5000 (02 08).PDF
Approved-Closed	ESL 5001 (02 08)	Certificate	Aggregate Amendmen Accomodation t, Insert Endorsement Page, Endorseme nt or Rider	Initial		42	ESL 5001 (02 08).PDF
Approved-Closed	ESL 5002 (02 08)	Certificate	Aggregate Terminal Amendmen Liability Endorsement t, Insert Page, Endorseme nt or Rider	Initial		42	ESL 5002 (02 08).PDF
Approved-Closed	ESL 5003 (02 08)	Certificate	Aggregating Specific Amendmen Deductible t, Insert Endorsement Page, Endorseme nt or Rider	Initial		42	ESL 5003 (02 08).PDF
Approved-Closed	ESL 5004 (02 08)	Certificate	Specific Expedited Amendmen Reimbursement t, Insert Endorsement Page, Endorseme nt or Rider	Initial		42	ESL 5004 (02 08).PDF
Approved-Closed	ESL 5005 (02 08)	Certificate	Specific Terminal Amendmen Liability Endorsement t, Insert Page,	Initial		42	ESL 5005 (02 08).PDF

SERFF Tracking Number: MCHX-125818173 State: Arkansas
Filing Company: American Alternative Insurance Corporation State Tracking Number: 40236
Company Tracking Number: ESL 5000 (02 08)
TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other
Product Name: ESL 5000 (02 08) AAIC Employer Stop Loss
Project Name/Number: ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss

Endorseme
nt or Rider

Approved- Closed	ESL 5006 (02 08)	Certificate Specific Transplant Amendmen Step-Down t, Insert Deductible Page, Endorsement Endorseme nt or Rider	Initial	42	ESL 5006 (02 08).PDF
Approved- Closed	ESL 5007 AR (02 08)	Application/ Application Enrollment Form	Initial	42	ESL 5007 AR (02 08).PDF
Approved- Closed	ESL 5008 (02 08)	Schedule Schedule of Excess Pages Loss Coverage	Initial	42	ESL 5008 (02 08).PDF
Approved- Closed	ESL 5009 (02 08)	Certificate Policy Amendment Amendmen t, Insert Page, Endorseme nt or Rider	Initial	42	ESL 5009 (02 08).PDF
Approved- Closed	ESL 5010 (02 08)	Certificate Clinical Trials Amendmen Endorsement t, Insert Page, Endorseme nt or Rider	Initial	42	ESL 5010 (02 08).PDF



American Alternative Insurance Corporation

Statutory Office: [1013 Centre Road, Wilmington DE. 19805]

Administrative Office: [555 College Road East, Princeton, N.J. 08543-5241]

[(800) 305-4954]

EXCESS LOSS INSURANCE POLICY

American Alternative Insurance Corporation ("Company"), agrees to reimburse the Insured as outlined under the provisions of this Excess Loss Insurance policy ("Policy").

This Policy is legally binding between the Insured and American Alternative Insurance Corporation. The consideration for this Policy includes, but is not limited to, the Application and the Payment of premiums as provided hereinafter.

The Insured is entitled to the reimbursement described in this Policy if the Insured is eligible for insurance under the provisions of this Policy. Reimbursement is subject to the terms and conditions of this Policy.

The first premium is due on the first (1st) day of the Policy Period. Subsequent monthly premiums are due on the first (1st) day of each month thereafter. The premium is not considered paid until the premium payment is received by the Company.

All periods of coverage will begin and end 12:01 a.m. local time at the principal office of the Insured.

This Policy is delivered in and is governed by the laws of the state of issue.

IN WITNESS WHEREOF American Alternative Insurance Corporation has caused this Policy to be executed by its President and Secretary at our Home Office.

[
Secretary

[
President

TABLE OF CONTENTS

DEFINITIONS	[]
EFFECTIVE DATE OF COVERAGE	[]
PREMIUM AND FACTORS PROVISIONS	[]
REIMBURSEMENT PROVISIONS	[]
TERMINATION PROVISIONS	[]
REINSTATEMENT PROVISIONS	[]
SUBSEQUENT POLICY PERIOD PROVISIONS]	[
GENERAL PROVISIONS	[]
GENERAL EXCLUSIONS PROVISION	[]
AGGREGATE ACCOMODATION ENDORSEMENT (IF APPLICABLE)	[]
AGGREGATE TERMINAL LIABILITY ENDORSEMENT (IF APPLICABLE) []	
AGGREGATING SPECIFIC DEDUCTIBLE ENDORSEMENT (IF APPLICABLE)	[]
SPECIFIC EXPEDITED REIMBURSEMENT ENDORSEMENT (IF APPLICABLE)	[]
SPECIFIC TERMINAL LIABILITY ENDORSEMENT (IF APPLICABLE)	[]
SPECIFIC TRANSPLANT STEP-DOWN DEDUCTIBLE ENDORSEMENT (IF APPLICABLE)	[]
CLINICAL TRIALS ENDORSEMENT (IF APPLICABLE)	[]
POLICY AMENDMENT (IF APPLICABLE)	[]

DEFINITIONS

AGGREGATE PERCENTAGE REIMBURSABLE is set forth in the Schedule of Excess Loss Coverage.

ANNUAL AGGREGATE DEDUCTIBLE for any one Policy Period means the greater of: (a) sum of the Monthly Aggregate Deductibles; or (b) the Minimum Annual Aggregate Deductible.

BENEFIT PERIOD means the period of time specified in the Schedule of Excess Loss Coverage in which an Eligible Expense must be Incurred by the Covered Person and Paid by the Plan to be eligible for reimbursement under this Policy. This period does not alter the Effective Date, Policy Period, or waive this Policy's eligibility requirements.

COVERED EMPLOYEE means an employee of the Insured who meets the eligibility requirements as set forth in the Plan Document and is enrolled in the Plan.

ELIGIBLE EXPENSE means medical or other expenses covered and payable under the Plan to which this Policy applies, as shown in the Schedule of Excess Loss Coverage, and which are not specifically excluded by the terms of this Policy. Covered Expense does not include any payment for the cost of administering the Plan or other Insured contracted services.

This Policy will reimburse, as an Eligible Expense, the patient services tax as imposed by the New York Care Reform Act of 1996 (HCRA) or the surcharge imposed by the Massachusetts Uncompensated Care Pool. Any other tax or surcharge levied by any state or other governmental subdivision will not be considered an Eligible Expense under this Policy.

COVERED PERSON means (a) a Covered Employee, (b) a dependent of a Covered Employee who meets the eligibility requirements as set forth in the Plan Document and is enrolled in the Plan or (c) if requested in the application, a covered retired employee, as defined by the Plan Document, who is enrolled in the Plan; however, a Covered Person does not include:

any dependent of a Covered Employee if such dependent is, on the Effective Date or the effective date of his or her coverage under the Plan, whichever is later, either hospital-confined or unable to perform the normal activities of a person of like sex and age in good health, until the end of such confinement or disability.

COVERED UNIT means the following: (a) an employee covered as one individual under the Plan; (b) an employee and dependents covered under the Plan; or (c) such other defined unit or units as agreed upon between the Company and Insured. The types of Covered Units and the factors and premium rates for each type are shown in the Schedule of Excess Loss Coverage.

EFFECTIVE DATE is the date set forth in the Schedule of Excess Loss Coverage.

EMPLOYEE BENEFIT PLAN (Also known as the **PLAN**) means the self-funded health care plan established by the plan sponsor to provide certain benefits to Covered Persons.

INCURRED means with respect to medical services or supplies, the date on which the services are rendered or supplies are purchased by the Covered Person; and, with respect to disability income benefits if selected in the Schedule of Excess Loss Coverage, the date each periodic benefit payment becomes payable to the Covered Person (not the date the disability commences).

INSURED means the entity requesting Excess Loss Insurance.

LOSS, LOSSES means amounts actually Paid by the Plan for Eligible Expenses.

LOSS LIMIT PER COVERED PERSON is set forth in the Schedule of Excess Loss Coverage. However, if

claims are Paid under the Plan for a Covered Person for benefits that are covered under Aggregate Excess Loss Insurance, but not covered under Specific Excess Loss Insurance, the Loss Limit for that Covered Person will be increased by the amount of such Payment.

MAXIMUM AGGREGATE BENEFIT is set forth in the Schedule of Excess Loss Coverage.

MAXIMUM SPECIFIC BENEFIT is set forth in the Schedule of Excess Loss Coverage.

MINIMUM ANNUAL AGGREGATE DEDUCTIBLE is set forth in the Schedule of Excess Loss Coverage.

MONTHLY AGGREGATE DEDUCTIBLE means, with respect to a particular month, the total number of Covered Units for that given Policy month multiplied by the corresponding Monthly Aggregate Factors as specified in the Schedule of Excess Loss Coverage. However, in the event of a reduction in the number of Covered Units under the Plan, the Monthly Aggregate Deductible cannot be reduced to less than one twelfth of the Minimum Annual Aggregate Deductible.

MONTHLY AGGREGATE FACTORS are set forth in the Schedule of Excess Loss Coverage.

PAY, PAID, PAYMENT means that funds are actually disbursed by the Insured or his Third Party Administrator. Payment will be deemed made on the date that both (1) the Insured or his Third Party Administrator directly tenders payment by mailing (or otherwise delivering) a draft or check, and (2) the account upon which the payment is drawn contains, and continues to contain, sufficient funds to permit the check or draft to be honored.

PLAN DOCUMENT means the written document approved by the plan sponsor which describes the Plan. A copy of the Plan Document in effect on the Effective Date is attached to the application for Excess Loss Insurance and made a part of this Policy.

POLICY PERIOD means the specified period in the Schedule of Excess Loss Coverage, however beginning no earlier than the Effective Date of this Policy and continuing until coverage terminates in accordance with the Termination Provisions.

SPECIFIC DEDUCTIBLE is set forth in the Schedule of Excess Loss Coverage. The Specific Deductible will apply separately to each Benefit Period.

SPECIFIC PERCENTAGE REIMBURSABLE is set forth in the Schedule of Excess Loss Coverage.

THIRD PARTY ADMINISTRATOR means a firm or person who has been retained by the Insured to Pay claims and/or provide administrative services on behalf of the Insured/Plan.

EFFECTIVE DATE OF COVERAGE

Coverage under this Policy is not effective until (a) payment of the first (1st) premium; (b) receipt of a signed Application for Excess Loss Insurance; and (c) receipt, examination and acceptance by the Company of the Plan Document and all other information which is material to underwriting or premium rating, whether or not specifically requested.

PREMIUMS AND FACTORS PROVISIONS

PAYMENT OF PREMIUMS For coverage to remain in effect, any subsequent monthly premium must be received by the Company by the first (1st) day of each month. Premiums are not considered paid until the premium payment is received by the Company.

Premiums or other payments made by the Insured to their Third Party Administrator or Agent or Broker shall not be deemed or considered payments to the Company until actually received by the Company.

GRACE PERIOD A Grace Period of thirty-one (31) days from the due date will be allowed for the payment of each premium after the first. During the Grace Period, the coverage will remain in effect provided the full premium is paid before the end of the Grace Period. Coverage will automatically terminate as of the end of the day on the due date of any premium which remains unpaid at the end of the Grace Period.

PREMIUM AMOUNT The premiums will be calculated using rates determined by the Company as set forth in the Schedule of Excess Loss Coverage. The amount of total premium due each month is the sum obtained by multiplying the applicable premium rates shown in the Schedule of Excess Loss Coverage by the actual number of appropriate Covered Units.

The Insured will be liable for any assessments and taxes assessed at any time against the Company beyond any taxes which may be payable on the premium received by the Company.

All requests for adjustments, credits or refunds because of overpayment of premiums shall be reported, in writing, with accompanying detail within sixty (60) days after termination of the applicable Policy Period.

The Company will not refund any portion of the premiums paid if this Policy terminates during the Policy Period.

OFF SET The Company shall be entitled to set off against reimbursements due the Insured under this Policy any premiums due and unpaid, any overpayments or other reimbursements made in error or upon incorrect information, and any other amounts due the Company.

PREMIUM RATE AND AGGREGATE DEDUCTIBLE FACTOR CHANGE The Company may change the Insured's premium rates or factors as of any of the following:

- a) the date when the terms of this Policy are changed;
- b) the date the Plan Document changes are accepted by the Company;
- c) the date the Insured adds or deletes subsidiary or affiliated companies or divisions;
- d) the date the number of Covered Units on any premium due date varies more than fifteen percent (15%) from the number of Covered Units on the Effective Date;
- e) the date the Insured changes its Third Party Administrator; or
- f) the date the Insured changes its provider network.

The Company reserves the right to recalculate the premium rates and the Monthly Aggregate Factors retroactively for the Policy Period, if there is more than a ten percent (10%) variance between:

- a) the average monthly Paid claim cost per Covered Employee under the Plan for the last two (2) months of the prior Policy Period; and
- b) the average monthly Paid claim cost per Covered Employee under the Plan for the first ten (10) months of the prior Policy Period.

REIMBURSEMENT PROVISIONS

NOTICE OF LOSS The Insured will give written notice of Losses to the Company on the Company's customary proof of loss form, within thirty (30) days of the date the Insured becomes aware of the existence of facts which would reasonably suggest the possibility that expenses covered under the Plan will be Incurred which are equal to or exceed fifty percent (50%) of the Specific Deductible or \$50,000, whichever is less.

PAYMENT BY PLAN

The Insured agrees to provide funds for payment of all Eligible Expenses under the Plan. If the Insured fails to provide funds for timely payment: a) coverage under this Policy will immediately terminate; and b) any Aggregate and/or Specific Deductible will be deemed not satisfied.

The Insured will notify the Company of any Payment by the Plan which exceeds the Specific Deductible within thirty (30) days of making the Payment. No request for reimbursement will be considered if filed later than 6 months after the end of the Benefit Period.

The Company will have the sole authority to reimburse or deny reimbursement under this Policy.

SPECIFIC EXCESS LOSS INSURANCE

The Schedule of Excess Loss Coverage indicates whether Specific Excess Loss Insurance is provided under this Policy. If, while this Policy is in effect, the Losses for a Covered Person for the applicable Benefit Period exceed the Specific Deductible, the Company will reimburse the Insured, subject to the terms and conditions of this Policy including the limits set forth in the Schedule of Excess Loss Coverage, within thirty (30) days after:

- (a) the Company's acceptance of the proof of loss as a satisfactory proof;
- (b) the Company's receipt of proof of Payment of the benefits by the Insured under the Plan to, or on behalf of, the Covered Persons; and
- (c) completion of an audit of the claim, if requested by either the Insured or the Company.

The amount of the reimbursement will be equal to the Specific Percentage Reimbursable times the amount by which Losses exceed the Specific Deductible amount, but will not exceed the Maximum Specific Benefit.

Losses for any Covered Person during the Policy Period will be determined according to the Benefit Period described in the Schedule of Excess Loss Coverage. The Specific Deductible applies separately to each Covered Person during a Benefit Period.

If Specific Excess Loss Insurance terminates before the end of the Policy Period, the Specific Deductible will not be reduced and the Benefit Period will be modified as shown in the Schedule of Excess Loss Coverage.

AGGREGATE EXCESS LOSS INSURANCE

The Schedule of Excess Loss Coverage indicates whether Aggregate Excess Loss Insurance is provided under this Policy. If the Losses for the applicable Benefit Period subject to the Loss Limit Per Covered Person, exceed the Annual Aggregate Deductible for the Policy Period, the Company will reimburse the Insured, subject to the terms and conditions of this Policy including the limits set forth in the Schedule of Excess Loss Coverage, within thirty (30) days after:

- (a) the Company's acceptance of proof of loss as satisfactory proof;
- (b) the Company's receipt of proof of Payment of eligible expenses under the Plan; and
- (c) completion by the Company of a satisfactory on-site audit of the claims, eligibility and all records relevant to a claim under Aggregate Excess Loss Insurance, if the Company elects to do so.

The amount of the reimbursement will be equal to the Aggregate Percentage Reimbursable times the amount by which Losses exceed the Annual Aggregate Deductible amount, but will not exceed the Maximum Aggregate Benefit. The Annual Aggregate Deductible for any one Policy Period means the greater of: (a) the sum of the Monthly Aggregate Deductibles; or (b) the Minimum Annual Aggregate Deductible.

For purposes of determining amounts payable under this Aggregate Excess Loss Insurance, Losses pertaining to each Covered Person during the Benefit Period will be limited to the Loss Limit Per Covered Person. Losses will

not include any amounts reimbursed by the Company under any other provision of this Policy. Any Loss that is Incurred at a time when the person to whom the Loss relates is not a Covered Person will not be eligible for Aggregate Excess Loss Insurance and will not be considered for the purpose of satisfying the Annual Aggregate Deductible.

However, if coverage terminates before the end of the Policy Period, the Annual Aggregate Deductible will be deemed not satisfied and the Company will not be liable for reimbursement of any benefits under this Aggregate Excess Loss Insurance.

TERMINATION PROVISIONS

This Policy and coverage provided hereunder will terminate upon the earliest of:

- a) the premium due date of any premium which remains unpaid at the end of the Grace Period;
- b) the premium due date next following receipt by the Company of written notice from the Insured that this Policy is to be terminated;
- c) the date of termination of the Plan;
- d) the date the Insured suspends active business operations or dissolves; or
- e) the end of the Policy Period.

This Policy may also be terminated, at the Company's option on the earliest of:

- a) the last day of the third (3rd) consecutive month during which there are less than fifty-one (51) employees enrolled in the Plan, unless the Company agrees, in writing, to continue coverage; or
- b) the date the Insured fails to comply with the terms of this Policy.

The Company will not refund any portion of the premiums paid if this Policy is terminated during the Policy Period.

REINSTATEMENT PROVISIONS

If this Policy terminates for any of the reasons set forth above, the Company may, at its option, approve the Insured's request to reinstate this Policy. The Insured shall submit to the Company any forms and data the Company may require. If this Policy is reinstated, the Insured shall pay to the Company the premiums due from the date this Policy terminated.

SUBSEQUENT POLICY PERIOD PROVISIONS

At the end of a Policy Period, a subsequent Policy Period may be agreed upon in writing by the Company and the Insured. The terms and conditions for a subsequent Policy Period will be evidenced by the issuance of a new Schedule of Excess Loss Coverage by the Company which shows the new premium rates, Benefit Period and other new terms. This Policy is not automatically renewable.

GENERAL PROVISIONS

ASSIGNMENT Reimbursement under this Policy may not be assigned by the Insured, and the Company will not recognize any such assignment.

AUDITS The Company will have the right: (a) to inspect and audit all records and procedures of the Insured and Third Party Administrator, developed and maintained for the Plan, that are applicable to the administration of this Policy; and (b) to require, upon request, proof satisfactory to the Company that Payment has been made to the Covered Person or the provider of such services or benefits which are the basis for any Loss by the Insured hereunder.

CHANGES TO THE PLAN DOCUMENT If the Plan Document in effect on the Effective Date is subsequently amended, notice of the amendment will be given to the Company prior to the effective date of the change. If the Company does not give written acceptance of the amendment, the Company will only provide coverage under this Policy consistent with the Plan Document prior to amendment. The Company's reimbursement will be made according to the amended Plan, once the notice is received and accepted.

CHANGES TO THE POLICY Only the President, a Vice President, or the Secretary of the Company have the authority to alter this Policy, or to waive any of the Company's rights and then only in writing. No such alteration of this Policy shall be valid unless endorsed and attached to this Policy. No agent, broker, or Third Party Administrator has the authority to alter this Policy or to waive any of its provisions.

CLERICAL ERROR Clerical errors, whether by the Insured or by the Company, in keeping or transmitting any records pertaining to the coverage, will not invalidate or limit coverage otherwise validly in force nor continue coverage otherwise validly terminated. Clerical error does not include any failure of the Insured, the Third Party Administrator or any agent of the Insured: (a) to comply with the requirements relating to notice of claims or payment of claims; or (b) to disclose underwriting information requested by the Company, whether or not intentional and regardless of the actual knowledge of the person providing the information.

CONCEALMENT, FRAUD This entire Policy will be void (a) if, before or after a claim or Loss, the Insured, the Third Party Administrator or any agent of the Insured has concealed or misrepresented any material fact or circumstance concerning this Policy, including any claim, or (b) in any case of fraud by the Insured, the Third Party Administrator, or any agent of the Insured relating to this Policy.

CONFORMITY WITH LAW If any provision of this Policy is contrary to any law to which it is subject, such provision is hereby amended to conform to the minimum requirements of such law.

ENTIRE CONTRACT The Entire Contract between the Company and the Insured will consist of this Policy, the application, approved amendments or endorsements, and a copy of the Plan Document which is on file with the Company.

INSOLVENCY Nothing in this Policy shall either relieve an insolvent or bankrupt Insured from the obligation to pay premiums when due or delay or abate cancellation of this Policy for failure to do so. The insolvency, bankruptcy, financial impairment, receivership, voluntary plan of arrangement with creditors, or dissolution of the Insured or the Insured's Third Party Administrator will not impose upon the Company any liability other than the liability defined in this Policy. In particular, the insolvency of the Insured will not make the Company liable to the creditors of the Insured, including Covered Persons under the Plan.

INSURED REQUIREMENTS The Insured will provide to the Company reports and documents that may be reasonably requested in order for the Company to administer the terms and conditions of this Policy. The Insured

will be responsible for the investigation, auditing, calculating and the Payment of all claims under the Plan.

LEGAL ACTION The Insured cannot file suit until ninety (90) days after the date on which proof of loss is given to the Company. The Insured cannot file suit more than three (3) years after the date on which the Insured must give the Company proof of claim. The three (3) year limitation is extended, if necessary, to agree with the period allowed by the laws of the state of issue.

LIABILITY The Company will have neither the right nor the obligation under this Policy to directly pay any Covered Person or provider of professional or medical services. The Company's sole liability is to the Insured, subject to the terms and conditions of this Policy. Nothing in this Policy shall be construed to permit a Covered Person to have a direct right of action against the Company. The Company will not be considered a party to the Plan of the Insured, or to any supplement or amendment to it.

MISSTATED DATA The Company has relied upon the underwriting information provided by the Insured, the Third Party Administrator or any agent of the Insured, in the issuance of this Policy. Should information in existence prior to issuance of this Policy subsequently become known which would have affected the rates, deductibles, terms or conditions for coverage, the Company will have the right to revise the rates, deductibles, terms or conditions as of the Effective Date of issuance, by providing written notice to the Insured.

NOTICE FROM THE COMPANY TO THE INSURED For the purpose of any notice required from the Company under the provisions of this Policy, notice to the Insured's Third Party Administrator shall be considered notice to the Insured and notice to the Insured shall be considered notice to the Insured's Third Party Administrator.

OTHER COVERAGE The reimbursement provided by this Policy is in excess of other coverage such as group insurance, excess insurance, insurance, plan benefits, including insurance or plan benefits established by any federal, state, or local law.

PARTIES TO THE POLICY The parties to this Policy are the Insured and the Company. The Company's sole liability under this Policy is to the Insured. This Policy does not create any right or legal relation between the Company and a Covered Person under the Plan. This Policy will not be deemed to make the Company a party to any agreement between the Insured and the Third Party Administrator.

RECORDS The Insured will maintain records of all Covered Persons under the Plan during the Policy Period and for a period of seven (7) years after the end of the Policy Period. The Insured will make all such records available to the Company as needed to evaluate its liability under this Policy.

The Insured will maintain a separate record of any and all amounts Paid in excess of benefits eligible under the Plan.

SEVERABILITY CLAUSE Any clause deemed void, voidable, invalid, or otherwise unenforceable, whether or not such a provision is contrary to public policy, will not render any of the remaining provisions of this Policy invalid.

TERMINATION OF THE INSURED'S PLAN The Insured will immediately notify the Company, if the Plan is terminated.

THIRD PARTY ADMINISTRATOR The Insured may retain a Third Party Administrator to act as an agent for the Insured in performing any or all of the duties as designated by the Insured. Without waiving any of its rights under this Policy, and without making the designated Third Party Administrator a party to this Policy, the Company agrees to recognize the Third Party Administrator as an agent of the Insured. The Insured will immediately notify the Company in writing if the agreement between the Insured and the Third Party Administrator terminates.

THIRD PARTY RECOVERY The Plan shall undertake to pursue any and all valid claims that the Plan may have against third parties arising out of any occurrence resulting in a payment by the Plan or the Company, and to

account for and pay to the Company any amounts recovered which were previously reimbursed by the Company to the Insured under this Policy, regardless of whether this Policy is still in force on the date of recovery. Third party shall mean another person, entity, or insurance company. Additionally, the Insured or Plan administrator shall notify the Company immediately upon discovering that a claim against a third party may exist. Should the Insured fail to pursue any valid claims against a third party and the Company becomes liable to reimburse the Plan, then the Company shall have the right to exercise and enforce all of the Insured and/or Plan's rights against such third party.

Company shall also be assigned all rights of recovery if a payment is made for which the Plan is or becomes entitled to receive payment from a third party.

If the Payment received from a third party is less than the total amount paid by the Plan on behalf of the Covered Person, the Company is entitled to recover first, in full, any amount paid by the Company under this Policy as well as any expenses of collection incurred by the Company. All remaining amounts shall be paid to the Insured.

GENERAL EXCLUSIONS PROVISIONS

The Company will not reimburse the Insured for any of the following:

- (a) Any payment which does not strictly comply with the terms and conditions of the Plan Document or a payment under the Plan for a benefit which is not shown as covered in the Schedule of Excess Loss Coverage;
- (b) Any payment for litigation costs and expenses, extra-contractual damages, compensatory damages, exemplary and punitive damages or liabilities, including but not limited to those resulting from negligence, intentional wrongs, fraud, bad faith or strict liability on the part of the Insured, Plan, Third Party Administrator or any agent or representative of the Insured, Plan or Third Party Administrator;
- (c) Any payment which is incurred for an Injury or Illness for which the claimant has or had a right to compensation under any Workers' Compensation insurance or similar insurance, or under any Workers' Compensation law, occupational disease law, or similar law, whether or not coverage under such law is actually in force.
- (d) Expenses incurred for Experimental Treatments, for research or studies, or for any services, drugs or supplies not legal in the United States of America. Experimental treatment means:

In Our discretion, a treatment, drug, device, procedure, supply or service and related services (or any portion thereof, including the form, administration or dosage) for a particular diagnosis or condition when any one of the following exists:

- 1. A treatment, drug, device or procedure that is shown by reliable evidence to be the subject of ongoing phase I, II or III clinical trials or under study to determine its maximum tolerated dose, its toxicity, its safety, its efficacy, or its efficacy as compared with the standard means of treatment or diagnosis.
- 2. The treatment, drug, device, procedure, supply or service is not yet fully approved or recognized (for other than experimental, investigational, research or clinical trial purposes) by the National Cancer Institute (NCI), Food & Drug Administration (FDA), or other pertinent governmental agency or professional organization or are approved for a specific medical condition but applied to another condition.
- 3. The results are not proven through controlled clinical trials with results published in peer-reviewed English language medical journals, to be of greater safety and efficacy than conventional treatment, in both the short and long term.
- 4. The treatment, drug, device, procedure, supply or service is not generally accepted medical practice in the state where the claimant resides or as generally accepted throughout the United States as determined in Our discretion, by reference to any one or more of the following: peer-reviewed

English-language medical literature, consultation with physicians, authoritative medical compendia, the American Medical Association, or other pertinent professional organization or governmental agency.

5. The treatment, drug, device, procedure, supply or service is described as investigational, experimental, a study, or for research or the like in any consent, release or authorization which the claimant, or someone acting on his or her behalf, may be required to sign.

The fact that a procedure, service, supply, treatment, drug or device may be the only hope for survival will not change the fact that it is otherwise investigational, experimental, or for research.

- (e) Any payment that results from war (declared or undeclared), hostilities, invasion or civil war or any payment that is the result of an injury or illness caused by a nuclear or radioactive accident.



Aggregate Accommodation Endorsement

This Endorsement forms part of the Excess Loss Insurance Policy to which it is attached.

Insured: [ABC Company]

Policy Number: [12345] Effective Date: [01.01.08]

AGGREGATE ACCOMMODATION OPTION

In consideration for the additional premium shown in the Schedule of Excess Loss Coverage, the Company will provide Aggregate Accommodation payments subject to all the terms, conditions, limitations, exclusions, and definitions included in the Policy and this Aggregate Accommodation Endorsement. The Effective Date of this Endorsement will coincide with the Effective Date of the Insured's Excess Loss Insurance, and will continue in full force and effect for the duration of that Policy Period.

Aggregate Accommodation Payment If the Losses (determined on the same basis as under the Aggregate Excess Loss Insurance) exceed the Accumulated Accommodation Point by more than \$5,000 at the end of any month during the Policy Period, the Company will provide to the Insured an Aggregate Accommodation, if requested. No Aggregate Accommodation may be requested after the end of the eleventh month of the Policy Period.

For purposes of this Endorsement:

“Accumulated Accommodation Point” means the sum of the Monthly Aggregate Deductibles for each of the months commencing with the first month of the Policy Period and ending with the month during the same Policy Period for which the Accumulated Accommodation Point is to be determined. The Accumulated Accommodation Point at the end of any month shall not be less than the Minimum Annual Aggregate Deductible times the proportionate part of the Policy Period elapsed at the end of the month.

“Aggregate Accommodation Outstanding” means the sum of all Aggregate Accommodation payments made to the Insured during the Policy Period, minus any repayment by the Insured of such Aggregate Accommodation payments during the Policy Period.

The Aggregate Accommodation payment will be equal to the Aggregate Percentage Reimbursable times the amount by which Losses exceed the Accumulated Accommodation Point (subject to the Maximum Aggregate Benefit); however, the Aggregate Accommodation payment is reduced by any Aggregate Accommodation Outstanding.

An Aggregate Accommodation Outstanding at the end of the Policy Period shall be deducted from any amount otherwise payable under Aggregate Excess Loss Insurance.

An Aggregate Accommodation is not an advance on any eligible expenses yet to be Paid by the Insured.

- A. **Availability** An Aggregate Accommodation will be available to the Insured only if:
1. all premium payments due for Specific and Aggregate Excess Loss Insurance have been received up to and including the month in which the Aggregate Accommodation is requested; and
 2. the Insured has Paid all claims for eligible expenses under the Plan; and
 3. all claims have been reported as required.
- B. **Audits** Prior to releasing any Aggregate Accommodation payment, the Company reserves the right to:
1. audit the Losses calculation; or
 2. have such an audit done by a third party auditor, if the Company deems necessary.

- C. **Repayment** If at any time the Insured's Losses under the Aggregate Excess Loss Insurance are less than the sum of the Accumulated Accommodation Point plus any Aggregate Accommodation Outstanding, the Insured must promptly make repayment to the Company equal to the lesser of:
1. the amount by which the sum of the Accumulated Accommodation Point plus the Aggregate Accommodation Outstanding exceeds the Insured's Losses under the Aggregate Excess Loss Insurance; or
 2. the full amount of the Aggregate Accommodation Outstanding.

If the Policy terminates before the end of the Policy Period, the Insured will immediately repay all Aggregate Accommodation payments on the date the Insured's coverage terminates.

The Company will have preference over all other claimants for the return of any Aggregate Accommodation payment. Further, the Insured will be liable for all costs and expenses (including reasonable attorney fees) incurred by the Company in the collection of any Aggregate Accommodation payment outstanding. If the Insured fails to make repayment when due, the Company, at its option, may:

- i. deduct the outstanding payment due from any reimbursement due under Specific or Aggregate Excess Loss Insurance; or
- ii. terminate this Endorsement, or at the Company's option, terminate the Excess Loss Insurance Policy.

At the end of the Policy Period, the Insured's repayment obligation to the Company will equal the amount of any Aggregate Accommodation Outstanding less the amount by which the Insured's Losses under the Aggregate Excess Loss Insurance exceed the Annual Aggregate Deductible. A final repayment of any balance due must be made within thirty (30) days of the end of the Policy Period.


- D. **Termination of the Aggregate Accommodation Endorsement** If the Insured fails to make repayment within the specified periods this Aggregate Accommodation Endorsement will terminate automatically for the remainder of the Policy Period.

If eligible Covered Expenses have not been properly Paid, the Company has the right to terminate this Aggregate Accommodation Endorsement.

All terms and conditions, other than as stated above, remain unchanged.

Executed at our Home Office.
American Alternative Insurance Corporation


Secretary


President



Aggregate Terminal Liability Endorsement

This Endorsement forms part of the Excess Loss Insurance Policy to which it is attached, effective on the Effective Date, unless otherwise stated herein.

Insured: [ABC Company]

Policy Number:[12345]

Effective Date:[01.01.08]

AGGREGATE TERMINAL LIABILITY OPTION

If, effective on the last day of the Policy Period, the Insured terminates Excess Loss Insurance with the Company the Insured has the option to modify the Annual Aggregate Deductible and the Benefit Period as set forth below, subject to the following terms and conditions:

- A. This option is only available if the Insured has paid the additional premium set forth in the Schedule of Excess Loss Coverage.
- B. In order to exercise this option, the Insured must, within 15 days after the end of the Policy Period, notify the Company in writing of its intention to exercise this option.
- C. This option is only available for newly issued policies as of inception of the initial Policy Period and will remain in effect for a subsequent period only if this option is renewed for that period.

If the Terminal Liability Option is exercised in accordance with this Endorsement, the following terms will apply to the Policy Period that ends on the date the Insured terminates Excess Loss Insurance with the Company:


- A. The Annual Aggregate Deductible for the Policy Period shall be revised to equal the greater of:
 - 1. 125% of the Annual Aggregate Deductible calculated for that Policy Period, or
 - 2. the sum of the Monthly Aggregate Deductibles for the three (3) months prior to the last day of the Policy Period, plus the Annual Aggregate Deductible calculated for that Policy Period.
- B. The Benefit Period for Aggregate Excess Loss Insurance will be revised so that the time period during which Covered Expenses must be Paid by the Plan shall be extended by an additional ninety (90) days.
- C. Specific Excess Loss Insurance is terminated effective at the end of the Policy Period unless the Insured has purchased the Specific Terminal Liability Endorsement.

All terms and conditions, other than as stated above, remain unchanged.

Executed at our Home Office.

American Alternative Insurance Corporation


Secretary


President

Aggregating Specific Deductible Endorsement

This Endorsement forms part of the Excess Loss Insurance Policy to which it is attached.

Insured: [ABC Company]

Policy Number: [12345] Effective Date: [01.01.08]

The Excess Loss Insurance Policy between the Insured and American Alternative Insurance Corporation is amended as follows:

1. The following definitions will be added to the Definitions section of the Excess Loss Insurance Policy:

AGGREGATING SPECIFIC DEDUCTIBLE is set forth in the Schedule of Excess Loss Coverage. The Aggregating Specific Deductible will apply separately to each Benefit Period.

SPECIFIC EXCESS AMOUNT means the amount by which Losses for a Covered Person for the applicable Benefit Period exceed the Specific Deductible, multiplied by the Specific Percentage Reimbursable. The Specific Excess Amount may not exceed the Lifetime Maximum Specific Benefit. For purposes of determining whether such Lifetime Maximum Specific Benefit has been exceeded, Losses Incurred or Paid in any other period of excess loss coverage are included.

TOTAL SPECIFIC EXCESS AMOUNT means the total of the Specific Excess Amounts for all Covered Persons for whom Losses for the applicable Benefit Period exceed the Specific Deductible.

2. The Specific Excess Loss Insurance Provision is hereby deleted and replaced with the following:

SPECIFIC EXCESS LOSS INSURANCE

The Schedule of Excess Loss Coverage indicates whether Specific Excess Loss Insurance is provided under this Policy. If, while this Policy is in effect, the Losses for a Covered Person for the applicable Benefit Period exceed the Specific Deductible, the Company will calculate the Specific Excess Amount for that Covered Person. The Company will monitor the Specific Excess Amounts for all Covered Persons for the applicable Benefit Period. No reimbursement under Specific Excess Loss coverage will be due until the Total Specific Excess Amount exceeds the Aggregating Specific Deductible. The Company will reimburse the Insured the amount by which the Total Specific Excess Amount exceeds the Aggregating Specific Deductible, subject to the terms and conditions of this Policy including the limits set forth in the Schedule of Excess Loss Coverage, within thirty (30) days after:

- a) the Company's acceptance of all proofs of loss as a satisfactory proof;
- b) the Company's receipt of proof of Payment of the benefits by the Insured under the Plan to, or on behalf of, the Covered Persons; and
- c) completion of an audit of the claim, if requested by either the Insured or the Company, which payment by the Insured is expressly agreed to be a condition precedent to payment.


Losses for any Covered Person during the Policy Period will be determined according to the Benefit Period described in the Schedule of Excess Loss Coverage. The Specific Deductible applies separately to each Covered Person or, if applicable, each family during a Benefit Period.

If Specific Excess Loss Insurance terminates before the end of the Policy Period, the Specific Deductible and the Aggregating Specific Deductible will not be reduced.

3. All other provisions of the Excess Loss Insurance Policy remain unaffected by this Endorsement.

Executed at our Home Office.
American Alternative Insurance Corporation


Secretary


President



Specific Expedited Reimbursement Endorsement

This Endorsement forms part of the Excess Loss Insurance Policy to which it is attached.

Insured: [ABC Company]

Policy Number:[12345]

Effective Date: [01.01.08]

SPECIFIC EXPEDITED REIMBURSEMENT OPTION

An additional provision is hereby added to the terms and conditions for Specific Excess Loss Insurance in the Policy as follows:

SPECIFIC EXPEDITED REIMBURSEMENT Without waiving any rights under the Excess Loss Insurance Policy, the Company hereby establishes Specific Expedited Reimbursement. The additional terms and conditions under which Expedited Reimbursement will be provided for Specific Excess Loss claims are as follows:

- (A) The claim must be fully processed by the Third Party Administrator and must be ready for payment under the Employee Benefit Plan within the Benefit Period during which the claim was Incurred; and
- (B) The Insured must have Paid under the Employee Benefit Plan, the Specific Deductible for the Covered Person to whom the claim relates, plus, in addition to the Specific Deductible Amount, at least \$1,000; and
- (C) The claim, and supporting documentation satisfactory to the Company, must be received by the Company no later than ten (10) calendar days after the end of the Benefit Period during which the claim was Incurred and processed; and
- (D) The claim must be for more than \$1,000.

If the foregoing requirements are satisfied, the Company will promptly send to the Insured reimbursement for the amount that is eligible for reimbursement under Specific Excess Loss Insurance. Upon receipt of the Expedited Reimbursement, the Insured must pay the Employee Benefit Plan's payment within five (5) days. The Company's reimbursement may not be deposited until the Employee Benefit Plan's payment has been paid. If the Insured does not pay the Employee Benefit Plan's payment within the five (5) day period, the reimbursement must be refunded to the Company.

If any portion of the Company's reimbursement is not used to pay the applicable benefits under the Employee Benefit Plan, due to discounting or any other reason, such portion must be returned to the Company within five (5) working days after it is received by the Insured by refund, credit, or otherwise.

If the Insured fails to comply with all of the above conditions, the right to receive Specific Expedited Reimbursement shall be rescinded.


Except as specifically set forth herein, all terms and conditions of the Excess Loss Insurance Policy shall remain in full force and effect.

This Endorsement is intended solely to provide an optional expedited method of reimbursement between the Company and the Insured, and shall not affect the Employee Benefit Plan or the Insured's obligations under the Employee Benefit Plan in any way, and this Endorsement shall not create any rights in favor of any third party.

All terms and conditions, other than as stated above, remain unchanged.

Executed at our Home Office.
American Alternative Insurance Corporation


Secretary


President



Specific Terminal Liability Endorsement

This Endorsement forms part of the Excess Loss Insurance Policy to which it is attached, effective on the Effective Date, unless otherwise stated herein.

Insured: [ABC Company]

Policy Number: [12345]

Effective Date:[01.01.08]

SPECIFIC TERMINAL LIABILITY OPTION

If, effective on the last day of the Policy Period, the Insured terminates Excess Loss Insurance with the Company the Insured has the option to modify the Benefit Period for Specific Excess Loss Insurance as set forth below, subject to the following terms and conditions:


- A. This option is only available if the Insured has paid the additional premium set forth in the Schedule of Excess Loss Coverage.
- B. In order to exercise this option, the Insured must, within 15 days after the end of the Policy Period, notify the Company in writing of its intention to exercise this option.
- C. This option is only available for newly issued policies as of inception of the initial Policy Period and will remain in effect for a subsequent period only if this option is renewed for that period.

If the Terminal Liability Option is exercised in accordance with this Endorsement, the Benefit Period for Specific Excess Loss Insurance will be revised so that the time period during which Covered Expenses must be Paid by the Plan shall be extended by an additional ninety (90) days. Aggregate Excess Loss Insurance is terminated effective at the end of the Policy Period unless the Insured has purchased the Aggregate Terminal Liability Endorsement.

All terms and conditions, other than as stated above, remain unchanged.

Executed at our Home Office.
American Alternative Insurance Corporation

[]
Secretary

[]

President



American Alternative Insurance Corporation

Specific Transplant Step-Down Deductible Endorsement

This Endorsement forms part of the Excess Loss Insurance Policy to which it is attached, effective on the Effective Date, unless otherwise stated herein.

Insured: [ABC Company]

Policy Number: [12345]

Effective Date:[01.01.08]

SPECIFIC TRANSPLANT STEP-DOWN DEDUCTIBLE OPTION

The Specific Deductible under Specific Excess Loss Insurance as contained in the Schedule of Excess Loss Coverage will be reduced as follows for a Covered Organ Transplant which is performed in a Transplant Network Facility at the Transplant Network Facility's contracted rate when a signed Transplant Network Access Agreement is in place.

<u>Specific Retention Amount</u>	<u>Reduction Percentage (or Amount)</u>
\$10,000 - \$25,000	50%
More than \$25,000	\$12,500

The reduced Specific Deductible (Per Covered Person) will be a one-time reduction per Covered Organ Transplant. Specific Deductible (Per Covered Person) reduction will apply in the Policy Period in which the Covered Organ Transplant occurs. Retransplants shall be considered a new Organ Transplant.


Covered Organ Transplant: Means any human to human organ or tissue transplant which is a Covered Expense in the Employer's Plan Document and is performed at a Transplant Network Facility at the Transplant Network Facility's contracted rate at the time the Covered Organ Transplant occurs. Multiple organ transplants performed at the same time such as heart/lung are considered to be one Covered Organ Transplant.

Transplant Network Facility: Means a [United Resource Networks, INTERLINK and LifeTrac].

The Company is not responsible for any Covered Person's decision to receive treatment, services, or supplies from a Transplant Network Facility nor does the Company make warranties or representations regarding the qualifications of providers of treatment services or supplies provided by the Transplant Network Facility.

Executed at our Home Office.
American Alternative Insurance Corporation


Secretary


President



American Alternative Insurance Corporation

Statutory Office: [1013 Centre Road, Wilmington DE. 19805]

Administrative Office: [555 College Road East, Princeton, N.J. 08543-5241]

[(800) 305-4954]

APPLICATION FOR EXCESS LOSS INSURANCE

The undersigned Applicant requests the Excess Loss Insurance Benefits shown herein and provided by American Alternative Insurance Corporation, and agrees to be bound by the terms and provisions of the Excess Loss Insurance Policy.

Full Legal Name of Applicant: [ABC Company, Inc.]

Address (street, city, state, and zip): [123 Main Street, Anyplace USA 67890]

Key Contact: [Mike Smith] Telephone: [456.789.1012] Tax ID: [12-345678]

Applicant is a: ☒ Corporation ☐ Labor Union ☐ Partnership ☐ Association ☐ Proprietorship ☐ Other: _____

Nature of Business of the Group to be Insured: [Consulting]

Total number of eligible lives: Single [xxx] Family []

Requesting retiree coverage? ☐ YES ☒ NO If YES, total number of eligible retirees _____

Requested Effective Date: [Date]

Affiliates or Subsidiaries:

Addresses of Affiliates or Subsidiaries:

[n/a]

[n/a]

SPECIFIC EXCESS LOSS INSURANCE: ☒ YES ☐ NO

Benefit Period: Covered Expenses Incurred from [Date] through [Date],

and Paid from [Date] through [Date]. However, Covered Expenses Incurred from [Date] through [Date] will be limited to \$[xxxx] per

☒ Covered Person ☐ Family.

Specific Deductible per ☒ Covered Person ☐ Family: \$[xxxxx]

Specific Percentage Reimbursable: [100]%

Maximum Specific Benefit Per Covered Person (including Specific Deductible):

☒ \$500,000 ☐ \$1,000,000 ☐ \$2,000,000 ☐ Other \$[_____]

Covered Expenses under Specific Excess Loss: ☒ Medical ☐ Stand Alone Prescription Drug Program

Specific Premium Rates per Month See item i on page 2 of application for special conditions		
Single	Number of lives: [xx]	\$ [xx]
Family	Number of lives: [xx]	\$ [xx]
[]	Number of lives: []	\$ []
[]	Number of lives: []	\$ []

1. Specific Expedited Reimbursement Endorsement: ☐ YES ☒ NO

2. Specific Terminal Liability Endorsement: ☐ YES ☒ NO []

3. Aggregating Specific Deductible Endorsement: ☐ YES ☒ NO []

4. Other Endorsement: ☐ YES ☒ NO []

Minimum Annual Specific Premium \$[xxxx]

AGGREGATE EXCESS LOSS INSURANCE: ☒ YES ☐ NO

Benefit Period: Covered Expenses Incurred from [Date] through [Date],

and Paid from [Date] through [Date]. However, Covered Expenses Incurred from [Date] through [Date] will be limited to \$[xxxxx] or [xx]% of the Annual Aggregate Deductible.

Covered Expenses under Aggregate Excess Loss Coverage: ☒ Medical ☐ Dental ☐ Stand Alone Prescription Drug Program

☐ Vision ☐ Weekly (Disability) Income ☐ Other (Please Specify) []

Aggregate Percentage Reimbursable: [100]%

Maximum Aggregate Benefit: ☐ \$500,000 ☒ \$1,000,000 ☐ Other \$_____

Minimum Annual Aggregate Deductible: \$[xxxxx] or [xx]% of the first Monthly Aggregate Deductible amount times 12, whichever is greater.

Loss Limit per Covered Person \$ [xxxxxx]

- Aggregate Excess Loss Premium: ☒ Monthly ☐ Annually []
1. Aggregate Terminal Liability Endorsement: ☐ YES ☒ NO []
2. Aggregate Accommodation Endorsement: ☐ YES ☒ NO []
3. Other Endorsement: ☐ YES ☒ NO []

Monthly Aggregate Factors								
	Medical	# of lives	Prescription Drugs	# of lives	Dental	# of lives	[]	#of lives
Employee	[xxx]	[xxx]	[n/a]	[n/a]	[n/a]	[n/a]	[n/a]	[n/a]
[]	[]	[]	[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]	[]	[]	[]

Full Name of Third Party Administrator: [XYZ Administrative Services, Inc.]

Address: (street, city, state, and zip): [789 Main Street, Anytown USA]

Key Contact: [James Doe] Telephone: [123.456.7890]

Agent or Broker: [Mary Doe]

SS No. or Tax ID: [123.45.789]

Address: [888 First Street, Anytown, USA]

It is understood and agreed by the undersigned that:

- a. As a condition precedent to the approval of this Application, the undersigned shall furnish to the Company a copy of the executed Plan Document describing the benefits provided by the Plan which shall be kept on file in the office of the Company. No Excess Loss Insurance will be effective nor reimbursement made unless a Plan Document is received and accepted by the Company. In the event of a material variance, in the judgement of the Company, between the Plan Document received by the Company and the Plan benefit provisions upon which the terms and rates of the Aggregate and Specific Excess Loss Coverage were based, any Policy that has been issued will not take effect unless a Plan Document is received, accepted, and on file in the Company's office.
- b. The undersigned will provide or employ a Third Party Administrator (TPA) to administer the Plan and to process and pay claims according to the Plan Document. The undersigned acknowledges that the TPA is the undersigned's agent and that statements and answers given by the TPA are binding on the undersigned.
- c. The receipt by the Company of the first month's premium and deposit of any check drawn in connection with this Application shall not constitute an acceptance of liability. In the event the Company does not approve this application, its sole obligation shall be to refund such premium to the undersigned.
- d. Any Aggregate and/or Specific Excess Loss Insurance shall be described in the Policy issued.
- e. Experience, census, and other information contained in the underwriting information as furnished by the Applicant directly, or through its representative, are the primary data elements on which the Company's proposal was based. The undersigned will provide any additional underwriting information required by the Company.
- f. Any coverage resulting from this Application shall be subject to the terms and provisions of the Policy herein applied for. Coverage shall become effective on the date specified in this Application if all requirements of the Company, including underwriting requirements, have been met and the required premiums paid.
- g. The undersigned represents that the statements, declarations and representations made in this Application, any request for proposal, the underwriting information provided by or on behalf of the undersigned and the Plan Document accurately and completely reflect the true facts. The undersigned understands that any Policy is issued in reliance upon the truth of such statements, declarations, and representations; and that such statements, declarations, and representations are part of this Application.
- h. The Company will evaluate the undersigned's risk, and may require adjustments of rates, factors, and/or special limitations to accommodate for abnormal risks.
- i. Other: []

The undersigned has read the entire Application for Excess Loss Insurance and understands that the insurance requested herein is not in effect until this Application is approved and accepted by the Company.

Full Legal Name of Applicant: [ABC Company, Inc.]

Signature of Authorized Person: _____

Print Name: [Mike Smith] Title: [President]

Date: [Date]

Signature of Agent or Broker: _____

Print Name of Agent or Broker: [Mary Doe]

“NOTICE: Employers/plan sponsors of self-funded health plans should not consider the purchase of stop loss coverage and/or excess loss coverage as complete protection from all liability created by the self-funded health plan. Employers/plan sponsors should be aware that the failure to comply with the terms of the stop loss policy and/or the provisions in the self-funded health plan may cause the employer/plan sponsor to incur liabilities under the health plan. For instance, if medical claims are paid on an ineligible individual, the stop loss carrier may deny the reimbursement under the stop loss policy. In addition, the Arkansas Life and Health Insurance Guaranty Association does not cover claims reimbursable under a stop loss policy.”

FRAUD WARNING NOTICES: (Please review notice that applies in your state)

For applicants in Arkansas and Louisiana:

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance, is guilty of a crime and may be subject to fines and confinement in prison.

For applicants in Colorado:

It is unlawful to knowingly provide false, incomplete or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds, shall be reported to the Colorado division of insurance within the Department of Regulatory Agencies.

For applicants in District of Columbia:

WARNING: It is a crime to provide false or misleading information to an insurer for purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the application.

For applicants in Florida:

Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

For applicants in Kentucky, New Mexico, Ohio, and Pennsylvania:

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

For applicants in Maine, Tennessee and Virginia:

It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or a denial of insurance benefits.

For applicants in New Jersey:

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.



SCHEDULE OF EXCESS LOSS COVERAGE

This Schedule of Excess Loss Coverage is only applicable to Excess Loss Insurance provided by the Company during the Policy Period shown below.

Insured: [ABC Company]
 Policy Number: [12345]
 Effective Date: [01.01.08]

Coverage specified herein is applicable only during the Policy Period from [Date] to [Date], and is further subject to all terms and conditions of this Policy.

Actively at Work/Disability requirement. ☒ Applied ☐ Waived with Approved Disclosure

The Actively at Work/Disability requirement is explained in the definition of "Covered Person" in the Definitions Section.

SPECIFIC EXCESS LOSS INSURANCE ☒ Yes ☐ No

Benefit Period: Covered Expenses Incurred from [Date] through [Date] and Paid from [Date] through [Date]; however, if the Policy is terminated before the end of the originally scheduled Policy Period set forth above, Covered Expenses must be Incurred from [Date] through the termination date and Paid from [Date] through the termination date to be eligible for reimbursement.

Specific Deductible ☒ Per Covered Person ☐ Per family \$[xxxxx]

Aggregating Specific Deductible \$[n/a]

Specific Percentage Reimbursable [100] %

Maximum Specific Benefit Per Covered Person (including Specific Deductible):

☒ \$500,000 ☐ \$1,000,000 ☐ \$2,000,000 ☐ Other \$[]

Covered Expenses under Specific Excess Loss:

☒ Medical ☐ Stand Alone Prescription Drug Program

Covered Expenses Incurred from [Date] through [Date] will be limited to \$[xxxx] per ☒ Covered Person ☐ Family

Specific Premium Rates Per Month		
Covered Units	Number of Units on Effective Date	Rates per Covered Unit
[Single]	[xx]	\$ [xx]
[Family]	[xx]	\$ [xx]
[]	[]	\$ []
[]	[]	\$ []

AGGREGATE EXCESS LOSS INSURANCE ☒ Yes ☐ No

Benefit Period: Covered Expenses Incurred from [Date] through [Date], and Paid from [Date] through [Date]; however, if the Policy is terminated before the end of the originally scheduled Policy Period set forth above, no reimbursement will be made under Aggregate Excess Loss Insurance.

Covered Expenses Incurred from [Date] through [Date] will be limited to \$[xxxxx] or [xx]% of the Annual Aggregate Deductible, whichever is greater.

Covered Expenses under Aggregate Excess Loss Coverage:

- ☒ Medical ☐ Stand Alone Prescription Drug Program
☐ Dental Care ☐ Weekly (Disability) Income
☐ Vision Care ☐ Other []

Aggregate Percentage Reimbursable [100] %

Maximum Aggregate Benefit: ☐ \$500,000 ☒ \$1,000,000 ☐ Other \$[]

Minimum Annual Aggregate Deductible: \$[xxxxx] or [xx] % of the first Monthly Aggregate Deductible amount times 12, whichever is greater.

Loss Limit Per Covered Person: \$[xxxxxx]

Monthly Aggregate Factors				
Covered Units	# on Effective Date	Medical	Prescription Drug	Dental
[Employee]	[xxx]	\$[xxx]	\$[n/a]	\$[n/a]
[]	[]	\$[]	\$[]	\$[]
[]	[]	\$[]	\$[]	\$[]
[]	[]	\$[]	\$[]	\$[]

Aggregate Excess Loss Premium ☒ per Covered Unit per month ☐ annual \$[].

SPECIAL CONDITIONS:**ENDORSEMENTS ATTACHED TO AND MADE PART OF POLICY AT EFFECTIVE DATE:****PREMIUM**

- (a) SPECIFIC EXPEDITED REIMBURSEMENT ENDORSEMENT ☐ YES ☒ NO
\$[]
- (b) SPECIFIC TERMINAL LIABILITY ENDORSEMENT ☐ YES ☒ NO
\$[]
- (c) AGGREGATE ACCOMODATION ENDORSEMENT ☐ YES ☒ NO
\$[]
- (d) AGGREGATE TERMINAL LIABILITY ENDORSEMENT ☐ YES ☒ NO
\$[]
- (e) AGGREGATING SPECIFIC DEDUCTIBLE ENDORSEMENT ☐ YES ☒ NO
\$[]
- (f) SPECIFIC TRANSPLANT STEP-DOWN DEDUCTIBLE ENDORSEMENT ☐ YES ☒ NO
\$[]
- (g) CLINICAL TRIALS ENDORSEMENT ☐ YES ☒ NO
\$[]

(h) OTHER []
\$[]

☐ YES ☒ NO

DATED THIS [Date] _____ DAY OF _____
_____, 20____

Authorized Signature: _____
Printed Name: [Mike Smith] _____
Title: [President] _____
Date: [Date] _____

AMENDMENT NO. []

This Amendment forms part of the Excess Loss Insurance Policy to which it is attached, issued by American Alternative Insurance Corporation (herein called Company) to [ABC Company] (herein called Insured).

Insured: [ABC Company]

Policy Number:[12345]

-
1. It is agreed by and between the Company and the Insured that notwithstanding anything to the contrary contained in the Excess Loss Insurance Policy to which this Amendment is attached:


[The Policyholder address is as follows:

456 Maple Street
Anytown, USA]

2. This Amendment will be effective as of [01.01.08]

Executed at our Home Office.
American Alternative Insurance Corporation

[]
Secretary

[]

President



Clinical Trials Endorsement

This Endorsement forms part of the Excess Loss Insurance Policy to which it is attached.

Insured: [ABC Company]

Policy Number:[12345]

Effective Date: [01.01.08]

CLINICAL TRIALS ENDORSEMENT

An additional provision is hereby added to the terms and conditions of the Excess Loss Insurance Policy.

The Insured and the Company agree that this Policy is amended as follows:

The Policy will reimburse Eligible Expenses, in excess of the Specific Deductible, for Patient Care Services (as defined below) furnished in connection with participation of a Covered Person in Clinical Trials as defined by this Endorsement.

CLINICAL TRIALS – DEFINITION:

A Clinical Trial is defined as a clinical trial that meets the following conditions:

- a. The clinical trial is intended to treat cancer in a patient who has been diagnosed; and
- b. The clinical trial has been peer reviewed and is approved by at least one of the following:
 1. one of the United States National Institutes of Health ,
 2. a cooperative group or center of the National Institutes of Health,
 3. a qualified non-governmental research entity identified in guidelines issued by the National Institutes of Health for center support grants,
 4. The United States Food and Drug Administration pursuant to an investigational new drug exemption,
 5. the United States Departments of Defense or Veterans Affairs,
 6. or, with respect to Phase II, III and IV clinical trials, a qualified institutional review board, and
- c. The facility and personnel conducting the clinical trial are capable of doing so by virtue of their experience and training and treat a sufficient volume of patients to maintain that expertise, and
- d. The patient meets the patient selection criteria enunciated in the study protocol for participation in the clinical trial, and
- e. The patient has provided informed consent for participation in the clinical trial in a manner that is consistent with current legal and ethical standards, and
- f. The available clinical or pre-clinical data provide a reasonable expectation that the patient's participation in the clinical trial will provide a medical benefit that is commensurate with the risks of participation in the clinical trial, and
- g. The clinical trial does not unjustifiably duplicate existing studies, and
- h. The clinical trial must have a therapeutic intent and must, to some extent, assess the effect of the intervention on the patient.

PATIENT CARE SERVICES – DEFINITION:

Patient Care Services are health care items or services that are furnished to an individual enrolled in a Clinical Trial which are consistent with the usual and customary standard of care for someone with the patient's diagnosis, are consistent with the study protocol for the clinical trial and would be covered if the patient did not participate in the Clinical Trial.

Patient Care Services must be determined to be eligible under the Insured's Plan.

Patient Care Services do not include any of the following:

1. an FDA approved drug or device which is paid for by the manufacturer, the distributor or the provider of the drug or device
2. non health care services that a patient may be required to receive as a result of being enrolled in the Clinical Trial
3. costs associated with managing the research related to the Clinical Trial
4. costs that would not be covered under the Plan for non-investigational/experimental treatments
5. any item, service or cost that is reimbursed or otherwise furnished by the sponsor of the Clinical Trial
6. the cost of services which are not provided as part of the Clinical Trial's stated protocol or other similar guidelines

ADDITIONAL PROVISIONS:

Company may require a copy of the protocol for the Clinical Trial in order to determine if benefits are available under this Endorsement.

Reimbursements under this Endorsement will be included in the Life Time Maximum Benefit set forth in the Schedule of Excess Loss coverage.


Nothing herein shall create a presumption that Company recommended, directed, endorsed or required any Covered Person's participation in a Clinical Trial.

Reimbursements under this Endorsement are subject to all terms, conditions and limitations of the Policy and the Plan.

Except as specifically stated herein all terms and conditions of the Policy shall remain in full force and effect.

Executed at our Home Office.
American Alternative Insurance Corporation


Secretary


President

<i>SERFF Tracking Number:</i>	<i>MCHX-125818173</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American Alternative Insurance Corporation</i>	<i>State Tracking Number:</i>	<i>40236</i>
<i>Company Tracking Number:</i>	<i>ESL 5000 (02 08)</i>		
<i>TOI:</i>	<i>H21 Health - Other</i>	<i>Sub-TOI:</i>	<i>H21.000 Health - Other</i>
<i>Product Name:</i>	<i>ESL 5000 (02 08) AAIC Employer Stop Loss</i>		
<i>Project Name/Number:</i>	<i>ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss</i>		

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: MCHX-125818173 State: Arkansas
Filing Company: American Alternative Insurance Corporation State Tracking Number: 40236
Company Tracking Number: ESL 5000 (02 08)
TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other
Product Name: ESL 5000 (02 08) AAIC Employer Stop Loss
Project Name/Number: ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss

Supporting Document Schedules

Review Status:
Satisfied -Name: Certification/Notice Approved-Closed 09/19/2008
Comments:
Attachment:
Readability.PDF

Review Status:
Satisfied -Name: Application Approved-Closed 09/19/2008
Comments:
see forms tab

Review Status:
Bypassed -Name: Health - Actuarial Justification Approved-Closed 09/19/2008
Bypass Reason: Not applicable
Comments:

Review Status:
Bypassed -Name: Outline of Coverage Approved-Closed 09/19/2008
Bypass Reason: Not applicable
Comments:

Review Status:
Satisfied -Name: Cover Letter Approved-Closed 09/19/2008
Comments:
Attachment:
Cover Letter.PDF

Review Status:
Satisfied -Name: Authorization Letter Approved-Closed 09/19/2008
Comments:
Attachment:
Authorization Letter.PDF

<i>SERFF Tracking Number:</i>	<i>MCHX-125818173</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American Alternative Insurance Corporation</i>	<i>State Tracking Number:</i>	<i>40236</i>
<i>Company Tracking Number:</i>	<i>ESL 5000 (02 08)</i>		
<i>TOI:</i>	<i>H21 Health - Other</i>	<i>Sub-TOI:</i>	<i>H21.000 Health - Other</i>
<i>Product Name:</i>	<i>ESL 5000 (02 08) AAIC Employer Stop Loss</i>		
<i>Project Name/Number:</i>	<i>ESL 5000 (02 08) AAIC Employer Stop Loss/ESL 5000 (02 08) AAIC Employer Stop Loss</i>		

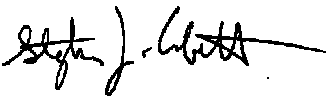
Satisfied -Name:	Form Listing	Review Status:	Approved-Closed	09/19/2008
Comments:				
Attachment:				
Form Listing.PDF				

STATE OF ARKANSAS
READABILITY CERTIFICATION

COMPANY NAME: American Alternative Insurance Corporation

This is to certify that the form(s) referenced below has achieved a Flesch Reading Ease Score as indicated below and complies with the requirements of Ark. Stat. Ann. Section 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act.

Form Number	Score
ESL 5000 (02 08)	41.5
ESL 5001 (02 08)	41.5
ESL 5002 (02 08)	41.5
ESL 5003 (02 08)	41.5
ESL 5004 (02 08)	41.5
ESL 5005 (02 08)	41.5
ESL 5006 (02 08)	41.5
ESL 5007 AR (02 08)	41.5
ESL 5008 (02 08)	41.5
ESL 5009 (02 08)	41.5
ESL 5010 (02 08)	41.5

Signed: 
Name: Stephen J Corbett
Title: Vice President

Date: 9.15.08

McHugh Consulting Resources, Inc.

September 16, 2008

SUBMITTED VIA SERFF

Julie Benafield Bowman
Insurance Commissioner
Arkansas Department of Insurance
Compliance – Life and Health
1200 West Third Street
Little Rock, AR 7221-1904

RE: **AMERICAN ALTERNATIVE INSURANCE CORPORATION**
NAIC No. 19720 FEIN No. 52-2048110

Employer Stop Loss Program
ESL 5000 (02 08), et al Excess Loss Insurance Policy
Please see attached forms listing

Dear Commissioner Bowman:

McHugh Consulting Resources, Inc. has been requested to file the enclosed forms on behalf of American Alternative Insurance Corporation. We have provided an authorization letter for your files.

The above referenced forms are submitted for your review and approval. As a matter of information, the forms are new and do not replace any forms previously filed with or approved by your Department.

This excess loss coverage is designed to be offered to employer groups who self fund their employee medical plan. This coverage is purchased by the employer to protect itself from catastrophic losses. Benefits are payable to the employer and not individual employees. While the benefits covered under the plan will parallel the employer's underlying plan, it is not medical coverage for the employees. As excess/stop loss coverage is not "health insurance coverage" as defined under the federal Health Insurance Portability and Accountability Act (HIPAA) it is not subject to the requirements in the HIPAA law. Benefits will be offered on a specific or aggregate basis, or both. The exact benefits will vary depending on the options chosen by the employer. Marketing for this product will be done via licensed agents and brokers.

Printing of all forms is subject to changes in page numbers, margins, positioning and format. Printing standards will never be less than required under your law. Electronic use of this form may result in changes or variations in margins, formatting and pagination. However, the text will not be less than ten-point type and the form will meet the readability standards required under your law.

Variable data is bracketed and may vary from case to case. Amounts may vary or provisions may be modified to fit a specific Policyholder's request. Variable data will never exclude or limit provisions required by your state.

American Alternative Insurance Corporation will deem these forms approved, if upon the expiration of the initial review period, your Department has not extended the review period or otherwise has not responded to this submission

Enclosed please find any required certifications and/or transmittal forms. If you should have any questions or concerns regarding this submission, please do not hesitate to contact us. We thank you in advance for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Diane Davis". The signature is written in a cursive, flowing style.

M. Diane Davis, FLMI
Consultant



American Alternative Insurance Corporation

555 College Road East
Princeton, NJ 08543-5241

Telephone: 800-305-4954
Facsimile: 609-951-8310

February 14, 2008

Re: American Alternative Insurance Corporation (NAIC # 19720)
Filing Authorization – McHugh Consulting Resources, Inc.

Please accept this letter as authorization for McHugh Consulting Resources, Inc. to submit policy form and rate/rule filings (as applicable) on behalf of American Alternative Insurance Corporation (AAIC). This authorization applies for the following policy forms:

- Provider Excess Liability
- Employers Stop Loss

Sincerely,

Stephen J. Corbett, CPCU
Vice President
American Alternative Insurance Corporation
555 College Road East
Princeton, NJ 08543-5241
609-243-5620
scorbett@munichreamerica.com

AMERICAN ALTERNATIVE INSURANCE CORPORATION
555 College Road East
Princeton, N.J. 08543-5241

Excess Loss Form Numbers

Form Name	Form Number
Excess Loss Insurance Policy	ESL 5000 (02 08)
Aggregate Accommodation Endorsement	ESL 5001 (02 08)
Aggregate Terminal Liability Endorsement	ESL 5002 (02 08)
Aggregating Specific Deductible Endorsement	ESL 5003 (02 08)
Specific Expedited Reimbursement Endorsement	ESL 5004 (02 08)
Specific Terminal Liability Endorsement	ESL 5005 (02 08)
Specific Transplant Step-Down Deductible Endorsement	ESL 5006 (02 08)
Application	ESL 5007 AR (02 08)
Schedule Of Excess Loss Coverage	ESL 5008 (02 08)
Policy Amendment	ESL 5009 (02 08)
Clinical Trials Endorsement	ESL 5010 (02 08)